

**KINGMAN AIRPORT AUTHORITY, INC.  
STANDARD OPERATING PROCEDURES**

*"To promote the airfield and industrial park with  
fiscally responsible management and provide a  
diverse economic base for the Greater Kingman Area"*

**INTERPRETATIONS**

Kingman Airport Authority, Inc. (KAA) reserves the right to add to, revise, or eliminate any of its policies and benefits and to have such revised policies take effect with or without notice.

The policies and guidelines summarized in this Standard Operating Procedure (SOP) supersede those set forth in any SOP previously issued by KAA. From time to time the policies in this SOP will be revised. Updates will be provided to you in the form of hard copy.

No significance is to be attached to the use of singular or plural designations or the use of the masculine, feminine or neuter gender in this SOP. Each designation or gender shall be construed to include the other where appropriate.

**I. FINANCIAL MANAGEMENT:**

**A. Budget Preparation:**

In May of each calendar year management personnel, with input from the Finance/Administrative Committee the Industrial Park Committee, and Airfield Committee will prepare the budget. The budget will include all sources of expected revenues and all anticipated expenditures. The budget will be balanced based on realistic anticipated revenues.

**B. Budget Review:**

The proposed budget will be presented to the Finance/Administrative Committee for review as soon as practical after preparation. Staff will notify members of the Finance Committee and invite them to attend the review sessions. Staff will explain the rationale for line items and solicit input and modifications from the committee. When the Finance/Administrative Committee is satisfied with the budget, the Chair will present it to the Board of Directors for approval.

The budget preparation and review will be timed so the Board action will take place in June of each year. The Board, at its discretion, may provide a copy of the budget to the members for comment. Comments from members will be received during the review sessions at the committee level.

C. **Budget Management:**

Once the budget is adopted, the Airport Executive Director, with the assistance and advice of the Director, Corporate Administration, shall ensure the budget is adhered to as closely as possible. Management personnel shall monitor all expenditure needs and requests to verify that they are in accordance with the approved budget. In addition, they shall monitor cash on hand in order to maintain sufficient cash flow needs. An item or service may be purchased by management personnel for an amount up to the original approved budget without prior approval from the Finance Committee subject to the guidelines of Section F. Ongoing expenses (i.e. utilities, debt service, etc.) will be paid in a timely manner, but no less than monthly, upon receipt of invoices/statements,

D. **Reimbursable Expenses:**

With the exception of credit cards, it is expected that all purchases will be paid for by check directly to the vendor. Employees shall submit a monthly expense report to the Director, Corporate Administration. The Director, Corporate Administration shall present the expense report to the employee's immediate supervisor for approval prior to submitting the request to the Finance Chair for authorization to pay. Employees will not be reimbursed for expenses that are not accompanied by a valid register receipt.

With prior authorization, employees may be compensated for mileage when using their personal vehicles while on company business. The rate of reimbursement will be the current allowable IRS rate. Employees will include mileage reimbursement requests on their monthly expense report listing the travel destination and reason for trip. As much as possible, employees shall coordinate company errands to eliminate excessive mileage reimbursement requests.

E. **Cash Flow Management:**

1. **Checking Accounts:** Checking accounts, referred to as operating accounts, will be established and maintained. All revenues, with the exception of grant proceeds, will be deposited within the appropriate account. Deposits will be made as soon as practical upon receipt of funds. If the balance of the operating account is such to meet current and anticipated expenditures, any additional revenues received may be deposited into a FDIC or FSLIC Certificate of Deposit account that will provide maximum yield for the time that the funds can be obligated. In no case shall funds in any CD exceed the maximum insured amount without prior permission from the Finance Chair and/or Treasurer of the Corporation.

2. **Grant Account:** One checking account, titled Kingman Airport Authority, Inc. Grant Account, shall be established and maintained for deposit and disbursement of all federal and state proceeds pertaining to grant and loan eligible projects. Federal or state funds received will be deposited within the grant account as soon as practical upon receipt. Disbursement shall be made in a timely manner of these funds to the

appropriate recipient. Disbursement of these funds, however, shall be no later than 48 hours after deposit unless a discrepancy or disputable amount with the appropriate recipient exists. In the event of a discrepancy or dispute with the appropriate recipient, management will attempt to resolve the issue in an expedient manner so disbursement of funds can be made.

Any grant funds within the grant account that are subject to a dispute shall remain in the account until the issue is resolved and shall not be transferred from the grant account for purposes other than originally received.

3. **Authorization to Write Checks:** The Director, Corporate Administration shall be responsible for issuance of checks for legitimate expenses on behalf of KAA. Under most circumstances checks for monthly operating expenses (i.e. utilities, debt service, etc.) shall be written at the same time payroll checks are written and will not require Board approval prior to disbursement. Accounts payable checks shall be written for Board approval at the regular monthly meetings for disbursement as soon as practical after approval. All checks shall require two signatures, of which are normally the Airport Executive Director or in his absence, the Director, Corporate Administration, and one of the four officers of the Corporation or the Immediate Past President. All checks will require at least one signature from one of the four officers of the Corporation or the Immediate Past President. Checks issued for compensation of employee wages will be signed by two of the four officers and/or Immediate Past President of the corporation.

The grant account, likewise, shall require two signatures, of which are normally the Airport Executive Director or in his absence, the Director, Corporate Administration, and one of the four officers of the Corporation or the Immediate Past President.

4. **Board of Directors' Review of Expenses:** The Finance/Administrative Committee Chair or in his absence the Finance/Administrative Committee Vice Chair, will be responsible for reviewing the monthly expenditures and reporting to the Board of Directors at the monthly meeting.

In the event a monthly Board meeting is canceled, the Finance/Administrative Committee Chair or in his absence the Finance/Administrative Committee Vice Chair, will review the monthly expenditures and authorize the Airport Executive Director to disburse payment to the approved vendors. Action will then be taken at the next regular or special meeting of the Board of Directors to officially approve the expenditures.

**F. Major Purchases:**

After the adoption of the annual budget, it will be necessary to purchase certain items and services within the approved budget. Subject to the availability of funds, once an item has been approved in the budget, staff may proceed with the necessary procurement process as follows:

1. **Items Under \$5,000:** Whenever any contemplated purchase or contract for services is for the sum of less than five thousand dollars (\$5,000) the Airport Executive Director may order the item if it is within the approved budget and funds are available.

2. **Items \$5,000 to \$25,000 Inclusive:** Whenever any contemplated purchase or contract for services is for the sum of at least five thousand dollars ( \$5,000) but not more than twenty five thousand dollars (\$25,000) inclusive, the Airport Executive Director or in his absence the Director, Corporate Administration shall solicit at least three written price quotations for the item or service. All items in this category must be approved and authorized by the President of the Corporation. The President can authorize the expenditure without Board approval only if the item is budgeted and funds are available.

3. **Items Over \$25,000:** Whenever any contemplated purchase or contract for service is for the sum greater than twenty five thousand dollars (\$25,000) the Airport Executive Director or in his absence the Director, Corporate Administration shall solicit at least three written bids for the item(s) or service(s). As part of the bidding process, staff will prepare written bid specifications and publicly advertise for bids in local publications. In addition to public notification, most commonly through local publications, staff will provide copies of bid documents to known suppliers of those items and/or services. Length of time of a bid offering will vary with the item being solicited. No public bid offering shall be less than two weeks. Bids must be approved and authorized by the Board of Directors.

4. **Bidding:** All notices and solicitations of bids shall state the time and place of opening. All bids shall be submitted in a sealed envelope to the Director, Corporate Administration with the words “**SEALED BID**” clearly marked on the outside of the envelope. All bids will be publicly opened and read aloud at the time and place designated in the bid specifications.

Public opening of bids shall be in the presence of the Airport Executive Director or in his absence the Director, Corporate Administration and at least two members, one of which is the Finance Committee Chair and/or his designee. These members, along with staff, will review the bids and select a vendor for recommendation for approval by the Board of Directors.

The Airport Executive Director or in his absence the Director, Corporate Administration shall have the authority to require bid guarantees for up to five percent (5%) of the amount of bid. The bid guarantee shall consist of a certified check, cashier's check or surety bond (from a company authorized to do business in the State of Arizona) and shall guarantee that the contractor or bidder will enter into a contract or provide the product in accordance with the bid or as liquidated damages in the event of failure or refusal to enter into the contract or provide the product.

The certified check, cashier's check or surety bond shall be returned to the bidder(s) whose proposal is not accepted and to the successful bidder upon the execution of a

satisfactory contract or delivery of the product.

5. **Selection of Bids:** The Board of Directors has the authority to reject any and all bids and parts of all bids and re-advertise or re-solicit bids. Unless the Board of Directors exercises the right to reject all bids, the purchase or contract shall be made with the lowest, most responsive and legal bidder for the entire purchase or contract or any part thereof. In determining the lowest, most responsive and legal bidder the Board shall consider:

- a) The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- b) Whether the bidder can perform the contract or provide the service(s) promptly or within the specified time without delay or interference;
- c) The quality of performance of previous contracts;
- d) The financial resources and ability of the bidder to perform the contract;
- e) The quality, availability and adaptability of the product(s) and service(s).
- f) When possible, special consideration will be given to local bidders when selecting the lowest, most responsive and legal bidder.

6. **Protests and Appeals:** Any bidder wishing to protest the bidding procedure shall file a written objection setting forth the grounds of the protest and submit to the Airport Executive Director or in his absence the Director, Corporate Administration within five (5) days of the bid opening. The Airport Executive Director or in his absence the Director, Corporate Administration shall review and decide on the protest as soon as practical. The Airport Executive Director or in his absence the Director, Corporate Administration shall immediately notify the objecting bidder of his determination. The objecting bidder may appeal the decision by filing a written notice with the President of the Corporation within five (5) days of the decision. The Board of Directors shall conduct a hearing at the next regularly scheduled meeting.

G. **Professional Services:**

From time to time the Board of Directors may require certain professional services such as engineers, architects, CPA's, insurance carriers, etc. When these services are required, staff will solicit input from appropriate professionals. This may be through formal requests for qualifications or through an interview process. Management and an appropriate subcommittee (if applicable) will select the best qualified professional and recommend a contract with KAA. The Board of Directors, by majority vote, shall approve and authorize an officer or the President of the Corporation to execute the contract document.

Professional services, if a reimbursable expense under a federal or state grant, shall require public advertisement in a local publication. If deemed necessary by management, in the event there are no known local professionals in the services being sought, advertisement shall be placed in publications other than local and may include professional newsletters, magazines or statewide newspapers. No less than three (3) Statements of Qualifications shall be received in the event the services are to be reimbursed by federal or state funds.

**H. Approval of Contracts and Legal Documents:**

The Board of Directors must review and approve all contracts and legal documents. Except in emergency circumstances, contracts and legal documents must be presented to the Board of Directors in executive summary or final form for review and approval. In the case of an emergency, the Board may authorize the President to act on behalf of the Corporation to review and approve a contract or legal document.

**II. PERSONNEL POLICIES:**

The following personnel policies shall apply to all employees except as noted:

**A. Salaries:**

Salaries shall be paid bi-weekly in accordance with the adopted budget for each fiscal year. If additional personnel are required, other than those positions approved within the adopted budget, a request will be submitted to the Finance Committee for review. A recommendation for the position and salary will be made to the Board of Directors by the Finance Committee Chair. The Airport Executive Director, Director, Economic Development, Supervisor, Airport Operations and Maintenance, Director, Corporate Administration and Administrative Assistant shall be salaried employees. All other personnel shall be hourly employees, unless prior approval is received by majority vote of the Board of Directors.

**B. Work Schedule:**

Management shall develop a work schedule for all hourly employees that will provide optimum coverage of the facilities needs. Full-time employees shall work a minimum of forty (40) hours per week. Part-time employees shall work as specified in a prearranged schedule.

Overtime hours for hourly employees shall be approved in advance by management personnel and shall be paid at the rate of 1.5 times that of their regular hourly wage or hourly employees may elect to take comp time at their regular hourly wage at the discretion and approval of their immediate supervisor. If an hourly employee elects to take comp time, time off must be taken prior to the next scheduled payroll ending date. An hourly employee may not accumulate any more than eight (8) hours comp time in any bi-weekly payroll period. If an hourly employee works on a designated

holiday, holiday pay shall be at the rate of 1.5 times that of the employee's regular hourly wage.

Exempt employees shall work hours as necessary to meet job requirements, with a minimum of eighty (80) hours per pay period. Comp time does not apply to salaried employees.

Sunday designates the beginning of each work week and Saturday designates the last day of each work week.

C. **Benefits:**

1. **Insurance:** KAA shall provide each full-time employee that successfully completes ninety (90) days of continuous employment with a health benefit plan approved by the Board of Directors. The benefit plan will be provided at no cost to the employee and shall remain in effect during the full term of employment with KAA. The Board of Directors, at its discretion, may provide additional benefits to its hourly employees and/or management personnel. The benefit plan will be reviewed annually by management and, thereafter, the Finance Committee to ensure optimum coverage and benefits.

Additional coverage for spouse and/or children may be purchased by an employee at the rate as determined by the insurance policy. The amount of the purchased insurance will be deducted in equal amounts when payroll checks are issued.

2. **Vacation:** All full-time hourly and salaried employees shall be eligible for vacation pay upon their first year anniversary with KAA and each consecutive year thereafter. All employees, including management personnel shall take at least one week of vacation per year. No more than three weeks (120 hours) of vacation may be accrued for carry over into the next anniversary year and no more than six weeks and two days (256 hours) may remain on the books at any one time. In the event of separation from KAA, an employee will be compensated for accrued vacation up to a maximum of 256 hours. At the sole discretion of the KAA Board of Directors, vacation for a separated employee may be paid in one lump sum or on a bi-weekly payroll basis until accrued hours (maximum 256 hours) are compensated.

Paid vacations for all personnel, unless otherwise specified through an employment contract and/or Board approval, shall be as follows:

Year One through Year Five: Ten days (80 hours)

Year Six through Year Ten: One additional day (8 hours) of vacation pay for each year of employment

Year Eleven and Thereafter: Fifteen days (120 hours)

Although subject to change, hourly and salaried employees shall place in writing to their immediate supervisor, a request for vacation at least one month in advance, listing those days the employee desires as paid time off. The supervisor shall

(dis)approve in writing the request, at which time it shall be placed in the employee's personnel file. The Director, Corporate Administration shall verify the employee's accrued time prior to the supervisor approving the request for vacation.

### 3. Leaves of Absence:

- a) **Sick Leave:** Sick leave is provided for, and is intended solely to protect full-time employees from loss of income during periods of personal illness or major illness of an immediate family member. Sick leave may not be used for any purpose other than an employee's personal illness or medical appointments or for the major illness or medical appointments of an immediate family member. Employees should schedule routine medical appointments in advance to ensure adequate coverage of their responsibilities in their absence from the office.

It is the responsibility of the employee requesting sick time off to contact his immediate supervisor or other management personnel, due to a personal illness or major illness of an immediate family member. Unless prohibited, due to personal medical reasons, the employee will personally contact his immediate supervisor or, in his absence, other management personnel initially and periodically throughout the illness to keep the supervisor informed of when the employee might be expected to return to work.

Sick leave shall be accrued at four (4) hours per month for each month of employment. In the event employment terminates, sick leave shall be considered null and void and will not be paid. Sick leave may not be used as additional vacation pay, and shall remain on file as accumulated sick time. A maximum of 176 hours of accumulated sick leave may be used by an employee for the major illness of an immediate family member upon authorization from his immediate supervisor or other management personnel.

If an employee has lost a significant amount of work within a particular time frame classified as sick leave, the employee may be subject to disciplinary action and/or termination. Each incident shall be reviewed on an individual basis by management personnel.

Personal illness or major illness of an immediate family member, in order to qualify under the above provisions, must be such as to confine the employee or immediate family member. Employees may be required to present a physician's certificate of proof of illness. Also, before an employee may return to work, a physician's certificate may be required regarding the employee's health and ability to perform his job.

- b) **Military Leave:** If an employee is required to attend Reserves or National Guard duty, he is eligible for a temporary leave of absence, without pay, not to exceed the number of days allowed by law, including travel.



- c) **Bereavement Leave:** When an employee must be absent from work due to a death in the immediate family, he will be paid his wages for three (3) days. Funeral leave is available for the death of immediate family members of the employee and his spouse, including wife, husband, son, step-son, daughter, step-daughter, mother, step-mother, father, step-father, sister, step-sister, brother, step-brother, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparents and grandchildren.
  - d) **Jury Duty:** KAA recognizes that jury service is one way an employee can fulfill his duties as a citizen. An employee will be paid his regular wage during his absence to serve as a juror. Any money received for jury duty (other than mileage) shall be remitted to KAA.
4. **Paid Holidays:** All full-time employees shall receive the following paid holidays on an annual basis: New Year's Day; Martin Luther King Day; Memorial Day; Independence Day; Labor Day; Veteran's Day; Thanksgiving and the day thereafter; Christmas; and two personal days (i.e. Columbus Day, President's Day, Birthday, etc.).
5. **College Attendance:** KAA encourages its employees to continue and further their education and through KAA's participation in the Partners in Progress Campaign at Mohave Community College is able to offer college courses to its employees with the following policy:
- a) Participation is limited to full time employees working a minimum of 40 hours per week.
  - b) In accordance with the contract agreement between KAA and Mohave Community College, only three (3) employees per semester may register for a total not to exceed six (6) semester hours per employee.
  - c) Tuition, special fees, lab fees books and study materials will be provided by KAA.
  - d) An employee desiring to attend classes in an upcoming semester will submit a written request to his supervisor stating the course name and number at least two weeks prior to the start of registration. The Airport Executive Director or in his absence the Director, Corporate Administration will review all requests and authorize/deny enrollment.
  - e) Courses chosen by an employee will be for job related/enhancement purposes. An explanation must be included within the above mentioned memo to deviate from a job related/enhancement course.
  - f) A grade point average of not less than 2.0 (a C or above) will be maintained by the employee or he will be required to reimburse KAA for all costs associated with the course(s).

- g) If more than three (3) employees desire to attend any one semester, the selection process will be on a rotating basis, as determined by the Airport Executive Director or in his absence the Director, Corporate Administration.

**D. At Will Statement:**

All employees of KAA are employed "at-will." This means that employees do not have a written or oral contract of employment promising employment with KAA for a set period of time. Therefore, employees are free to resign their employment with KAA at any time. Similarly, KAA reserves the right, as an employer, to terminate an employee's employment at any time with or without notice.

Nothing in this document or any oral or written statement by a supervisor is to be construed as a contract or a promise of employment by KAA for a specific period of time. Only the President and/or Board of Directors of KAA has the authority to enter into an employment contract with an employee. Also, any such agreement must be in writing and signed by the President and/or his designee.

**E. Evaluations:**

All employees of KAA will receive at least an annual written evaluation. In the event the evaluation report is unfavorable, the employee shall be given written notification and shall have a reasonable amount of time in which to upgrade his performance. If, at the end of this period his performance remains unfavorable, the employee may be terminated or subject to further disciplinary action.

**F. Involuntary Termination:**

1. **Misconduct Resulting in Disciplinary Action:** Although it is not possible to spell out in detail every type of employee misconduct that would result in disciplinary action (up to and including termination), below is a partial list:

- a) An assault or threat to others or prevention of others from performing their work.
- b) Refusal to carry out any reasonable work-related assignment, instruction, rule or procedure, disruption or attempted disruption of KAA operations or business.
- c) Disclosure of confidential information of KAA, or information concerning customer records to unauthorized persons.
- d) Improperly giving or receiving money, valuables or the like in connection with an employee's duties, or soliciting money on KAA premises.
- e) Unsatisfactory job performance or inability to cooperate with other employees.

- f) Intentionally causing or attempting to cause damage to KAA, or causing damage through gross negligence.
- g) The removal or attempted removal of any KAA property without permission of a responsible supervisor, or the theft of KAA property or the property of any other employee.
- h) Violation of the rules regarding solicitations and distributions.
- i) The unlawful manufacture, distribution, dispensing, possession or use of a controlled substance illegal under federal law on KAA premises or while in control of KAA equipment or motor vehicles.
- j) Absence without notification, frequent tardiness or absenteeism.
- k) Performing personal work during working hours.
- l) Repeated or excessive use of the telephone for personal calls, including cell phones (personal or KAA assigned), either incoming or outgoing, while at work.
- m) Private use of KAA office supplies.
- n) Obtaining or creating false invoices or other misleading documentation for the invention or use of fictitious sales or purchases of services.
- o) Engaging in unlawful discriminatory conduct, sexually or otherwise harassing a coworker, supervisor or subordinate or creating a hostile work environment.
- p) Other misconduct or acts detrimental to the operations or goodwill business of KAA.

2. **Performance Problems:** Occasionally an employee's performance falls below the standard expected by their supervisor and KAA. There can be a number of reasons this may occur, and it is the employee's responsibility to address the cause and bring performance back to a satisfactory level. Whether the problem is in the quality or quantity of work, the timeliness of completing projects and meeting deadlines, or in work habits (coming to work late, excessive absenteeism, problems in interacting with other employees, etc.), the problem must be corrected.

If you encounter performance problems or experience personal problems that may impact your performance, it is recommended that you advise your supervisor as soon as possible. You need not reveal matters you feel are private, but it is important that your supervisor be aware of your circumstances. Your supervisor may be able to make suggestions and possible accommodations to help you deal with the issue and your performance.

When misconduct occurs it is always up to KAA to determine whether it is appropriate to engage in progressive discipline or to immediately terminate an employee's employment. KAA will, where it deems appropriate to do so, give an employee an opportunity to correct their performance problem. In such cases, employees will be advised that a problem exists, told what needs to be done to correct the problem, and given a period of time to bring performance back to a satisfactory level. This is called being placed on warning.

Generally, progressive discipline involves oral counseling, written warning and suspension and/or probation. KAA reserves the right to determine which form of discipline is appropriate under the circumstances. The severity of the discipline or the length of the probation period will depend on the nature of the performance problem and the opinions of the KAA Board of Directors and/or supervisory personnel. The severity of the discipline depends on the circumstances of each case. While an employee on oral warning may be moved to written warning if performance doesn't improve to a satisfactory level during the oral warning, an employee on disciplinary probation will be discharged from his or her employment if performance doesn't become satisfactory. During the warning period, the employee is expected to take full advantage of the opportunity given to correct the performance problem and again become a fully productive contributor to KAA.

**G. Diversity:**

KAA will not discriminate in any hiring practice. No person shall be denied employment because of race, sex, ethnic origin, religion, age, handicap status or other individuals as covered by laws covering veteran's status or disability or any other characteristic protected by state, federal and/or local law. Minorities and/or women shall receive equal consideration in all hiring practices.

**H. Harassment:**

1. **Sexual Harassment:** KAA is committed to providing a professional work environment for all employees. In keeping this commitment, sexual harassment is unacceptable and will not be tolerated from any source (co-workers, supervisors, visitors, directors, members, outside vendors, etc.). KAA considers sexual harassment in any form to be a serious offense. Each employee is responsible for being familiar with this policy and is to refrain from engaging in any conduct contrary to this policy.

Sexual harassment is illegal whether between people of different sexes or the same sex. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- a) Submission to such conduct is explicitly or implicitly required to keep or obtain a job, promotion or other tangible benefit of employment;
- b) Submission to or rejection of such conduct is used as the basis for making favorable or unfavorable decisions affecting the person; or

- c) Such conduct has the purpose or effect of creating an intimidating, hostile or offensive environment.

Examples of inappropriate behaviors considered to be sexual harassment include, but are not limited to:

- a) Unwanted physical contact or touching of a sexual nature;
- b) Unwanted sexual flirtations, advances or propositions;
- c) Offensive or degrading sexual remarks, innuendoes, pranks, jokes or gestures;
- d) Displaying sexually suggestive objects, books, magazines, photographs or drawings (including computer generated and video);
- e) Engaging in sexually suggestive communications (including e-mail, voice mail, memos, etc.);
- f) Describing sexual exploits, questioning others about their sexual activities; and,
- g) Interfering with an employee's work performance by unwanted sexual language or conduct.

These behaviors are unacceptable both at the physical workplace and in any work related setting outside the workplace, such as during business trips, business meetings and business related social events.

2. **Anti-Harassment Policy:** In keeping with its commitment to provide a professional work environment, KAA believes the workplace should be free from "harassment," which is defined in this policy as harassment because of a person's race, color, national origin, religion, creed, gender, sexual orientation, age, disability, veteran status, or any other status protected by federal, state or local law. Such harassment is unacceptable and will not be tolerated from any source (co-workers, supervisors, visitors, directors, members, outside vendors, etc.). KAA considers harassment to be a serious offense. Each employee is responsible for being familiar with this policy and is to refrain from engaging in a conduct contrary to this policy.

Harassment consists of acts and intimidation that demonstrate hostility or aversion toward an individual because of his protected status when:

- a) Submission to such conduct is explicitly or implicitly required to keep or obtain a job, promotion or other tangible benefit of employment;
- b) Submission to or rejection of such conduct is used as the basis for making favorable or unfavorable decisions affecting the person; or
- c) Such conduct has the purpose or effect of creating an intimidating, hostile or offensive environment.

Examples of inappropriate behaviors that may be considered to be harassment include, but are not limited to, the following:

- a) Expectations that an individual submit to demeaning or degrading conduct

- (verbal, non-verbal or physical) in order to keep or obtain a job, promotion, or other tangible benefit of employment;
- b) Epithets, slurs, derogatory remarks, demeaning, stereotyping, pranks or jokes, whether spoken, displayed on a computer, written on walls, used in memos, e-mails or voice mail, expressed as words in the form of pictures or cartoons;
- c) Hostile, intimidating or threatening acts such as stalking, obstructing someone's path or gestures;
- d) Mocking individual traits such as one's accent, skin color, disability or religious beliefs; and,
- e) Vandalism or deliberate destruction or degradation of someone's property or possessions.

These behaviors are unacceptable both at the physical workplace and in any work related setting outside the workplace such as during business trips, business meetings and business related social events.

3. **Reporting Harassment:** KAA encourages reporting of all perceived incidents of harassment and discrimination. Individuals who believe they have experienced harassment and/or discrimination on the job or believe they are being sexually harassed, harassed because of race, color, national origin, religion, creed, gender, sexual orientation, age, disability, veteran status, or any other status protected by federal, state, or local law or discriminated against because of race, color, national origin, religion, creed, gender, age, disability, veteran status or any other status protected by federal, state, or local law, should take the following steps:

- a) **TELL THE OFFENDER TO STOP (INCIDENTS OF HARASSMENT ONLY).** Harassment can often be stopped or prevented by directly and immediately telling the offender that the conduct is offensive, unwelcome and inappropriate and must be stopped immediately. This step is optional, but employees are encouraged to assert their right to a harassment free work environment.
- b) **NOTIFY YOUR IMMEDIATE SUPERVISOR.** All complaints of harassment must be brought to employee's immediate supervisor. If the immediate supervisor is the offender, the complaint is to be placed with the Airport Executive Director. If the Airport Executive Director is the offender, the complaint is to be placed with the President of KAA.
- c) **INVESTIGATIONS.** KAA will promptly investigate the complaint. Investigation may include interviews with the parties involved in the incident, and if necessary, with individuals who may have observed the incident or have other relevant knowledge. When the investigation is concluded, the employee bringing the complaint will be notified of the results.
- d) **COMMITMENT TO CORRECTIVE ACTION.** KAA does not tolerate harassment or discrimination. Any employee determined to have engaged in acts of harassment or discrimination will be subject to appropriate discipline, up to and including termination of employment. When appropriate, the KAA will take other actions to remedy the effects of any harassment or discrimination and prevent its reoccurrence.

- e) **COMMITMENT TO NON-RETALIATION.** Harassment, intimidation, coercion, discrimination or retaliation in any other form is strictly prohibited against anyone for: 1) making a good faith internal complaint of conduct violating this policy; 2) filing a complaint allowed by any equal employment opportunity law or regulation (EEO laws); 3) participating in an investigation or any other activity undertaken by KAA or any governmental agency related to compliance with this policy or any EEO law; 4) opposing in good faith any act or practice that violates any EEO law; or, 5) exercising any right under any EEO law. However, KAA considers filing intentionally false complaints or intentionally providing false information a violation of KAA policies and an employee filing such complaints or providing false information will be subject to disciplinary action, up to and including termination of employment.

**I. Drug Free Workplace Employee Guidelines:**

The unlawful manufacture, distribution, dispensing, possession or use of a controlled substance illegal under federal law by an employee of KAA is prohibited.

As a condition to employment with KAA, an employee shall certify that in the event he is convicted of any criminal drug statute violation that he will notify the Airport Executive Director no later than five (5) days after such conviction.

Within thirty (30) days after notification to the Airport Executive Director an employee found to be in violation of any criminal drug statute, may be subjected to the following actions:

1. Suspension of employment until such time as employee has satisfactorily participated in a drug abuse or rehabilitation program; and/or
2. Dismissal of employment.

KAA certifies that upon receiving notice from an employee that he has been convicted of a criminal drug statute violation that it will notify the Federal Aviation Administration of such violation or conviction within ten (10) days of said notice.

KAA shall continue to make good faith efforts in maintaining a drug free workplace by the following procedures:

1. All job applicants to whom a job offer will be extended will be required, at KAA's expense, to submit to a drug screening test. No applicant will be considered employed until a drug test has been administered and the result provided to management for review;
2. Employees will be required to submit to drug and/or alcohol testing if a certified supervisor has reasonable suspicion to believe the employee is using or under the influence of a controlled substance illegal under federal law.
3. Employees will be required to submit to drug and/or alcohol testing following

a work injury or vehicular accident involving a company vehicle;

4. Having available within its office a listing of drug counseling, rehabilitation and employee assistance programs;
5. Providing periodic Drug Free Awareness Programs to inform employees about the dangers of drug abuse within the workplace;
6. Providing periodic Drug Free Awareness and Recognition Programs to Supervisory Personnel to assist in early detection of drug abuse by employees.

KAA, the management agency for the Kingman Airfield and Industrial Park has certified that every effort will be applied to ensure a drug free workplace to maintain compliance with the federal regulations as a recipient of federal funds.

**J. Safety:**

Safety for all workers is extremely important. KAA is committed to a safe working environment and will regularly review equipment and facilities to help avoid any hazardous conditions. All employees will help by reporting any unsafe conditions, by observing all safety rules, exercising care of the job, only operating machinery and equipment in which they have been fully trained, qualified and authorized to operate and, before operating equipment, ensuring guards and safety devices are in place and working properly.

Whenever non-office work is being performed, long pants and proper footwear are required and, when the job dictates, gloves and safety glasses will be worn.

Failure to follow safety rules, wear protective equipment/clothing or report an accident or injury may result in disciplinary action and/or termination.

**K. Operation of Company Vehicles:**

Company vehicles are only to be used in the performance of company business. No employee, permanent or temporary, under the age of twenty-one (21), unless previously authorized by the Airport Executive Director, will be authorized to drive company vehicles or equipment. Employees are not allowed to operate company vehicles under the influence of alcohol or drugs. Any employee found to be in violation will be terminated. Employees are required to advise their immediate supervisor within 48 hours if they receive any type of traffic citation and within 48 hours of the disposition through the court system. Employees whose employment depends on operating a company vehicle may be terminated from employment in the event they are no longer eligible for coverage through KAA's insurance provider.



Existing Employees: Existing full or part time employees of KAA, on an annual basis, will be required to have a Department of Motor Vehicle driver's license check, to be initiated through KAA's insurance carrier to insure eligibility of coverage. If, as part of employment requirements, the employee is no longer eligible for coverage under the Airport Authority's policy, as determined by the insurance provider, the employee may be terminated without further cause.

New Employees: New permanent, full or part time employees of KAA, prior to driving any company vehicle, must present a copy of an Arizona driver's license and a copy of a Motor Vehicle Report (MVR) through the Arizona Department of Motor Vehicles for the five (5) year period preceding employment to the Director, Corporate Administration for forwarding to the insurance carrier. If, as part of employment requirements, the employee is not eligible for coverage under the Airport Authority's policy, as determined by the insurance provider, the employee may be terminated without further cause.

Temporary Employees: From time to time KAA may use the services of temporary employees. Prior to temporary employees driving company vehicles they must present a valid Arizona driver's license and provide a copy of his/her MVR through the Arizona Department of Motor Vehicles for the previous five (5) years to the Director, Corporate Administration. The Director, Corporate Administration will review the information obtained from the MVR and by using sound judgement and, with assistance as deemed necessary, from the insurance provider, determine whether a temporary employee will be authorized to drive company vehicles.

### **III. PERSONNEL EXPENDITURES:**

#### **A. Company Credit Cards:**

Credit cards are to be used to pay expenses directly related to KAA business. Charges of a personal nature and/or cash advances are prohibited on the company credit card. Specifically, cards are to be used to purchase gasoline for authorized vehicles, expense account meals and expenses related to out-of-town travel. All other expenses are to be paid by check other than as authorized as previously mentioned. Management personnel that have been issued a company credit card shall, at the end of each month, prepare an itemized expense report reflecting all charges incurred during the month. Receipts should be attached and the report should itemize the business reason for each charge. The report on credit card use should be submitted to the Board of Directors on a monthly basis for review.

#### **B. Commercial Accounts:**

KAA recognizes that commercial accounts are necessary for the purchase of products/supplies for daily operations of the Airport, however, commercial accounts are to be kept at a minimum. Accounts have been established with local merchants to purchase supplies (i.e. office, maintenance, etc.) which are required during the course of normal operations. Only those persons authorized are signatories on the

accounts. KAA issues payment by invoice only, therefore, upon the purchase of any supply or product from local merchants, a receipt is to be requested and turned into the Director, Corporate Administration for processing on the following month's accounts payable. These purchases are not to be listed under the monthly expense reports as they are not charged to the company credit card (examples of accounts include service stations for company vehicles, hardware supply stores, office supply stores, etc.).

**C. Conferences:**

From time to time certain personnel will attend seminars and/or conferences which relate to the nature of their employment. For the most part, these seminars/conferences are included within the approved fiscal year budget, therefore, only require approval from the Airport Executive Director or in his absence the employee's immediate supervisor. Seminar/Conference registration fees, meals, lodging and travel are paid for KAA personnel only. Additional fees for spouses and/or guests are at the personal expense of the employee unless previously authorized by the Board of Directors. Extra-curricular activities (i.e. golf tournaments, etc.) are at the personal expense of the employee.

**D. Professional Associations:**

The fiscal year budget includes membership fees for employees to join or renew certain professional associations. Employees are to be selective in their memberships and are to familiarize themselves with the goals and intent of the association. Professional associations will relate to an employee's job responsibilities and will require approval from the employee's immediate supervisor prior to joining. Membership in local civic organizations will be on the employee's personal time and at the employee's personal expense.

#### IV LAND SALE PROCEDURES:

Upon the successful recruitment of a prospective business to locate within the airport and industrial park complex, the following procedures will apply for land sales within the Kingman Airport Industrial Park:

1. Prospective businesses will make application to KAA to purchase land. This application form will contain detailed information about the prospective business, its current and proposed operations and, an indication as to whether or not the information is to be considered confidential. Along with the application, the prospective business will submit a check for Three Thousand Dollars (\$3,000.00) payable to Kingman Airport Authority, Inc. as a non-refundable deposit to cover the cost of an evaluation, survey, appraisal, legal fees and advertisement of the Notice of Sale.
2. KAA staff, members of the Industrial Park Committee and/or outside consultants as necessary, will evaluate the prospective company's information to determine its suitability (according to the adopted Restrictive Covenants and other regulatory documents) for location within the industrial park. Staff will also prepare a tax impact analysis to demonstrate the prospective company's impact to the community.
3. If the prospective company has requested that the information be held confidential, the interview and discussion will be conducted in executive session in accordance with A.R.S. 38-431.03(A)(3), although the general nature and operation of the business may be discussed in open session. If the business has not requested confidentiality, the matter will be discussed in open session at all meetings.
4. Upon completion of the report by the KAA staff, it will be presented to the Industrial Park Committee. If the Committee is satisfied that all issues have been addressed and believes that the prospective business should be allowed to purchase land, the recommendation, accompanied by the investigation report will be forwarded to the Board of Directors for action.
5. Upon approval by the Airport Authority Board of Directors, the aforementioned information will be forwarded to the Kingman City Council for action. If the City Council is satisfied that all items have been addressed, the land will be sold at public auction in accordance with prevailing statutes. The name of the prospective business will become public information one week prior to the posted public auction.
6. KAA will execute an agreement to surrender its leasehold interest to the subject parcel of land upon the successful completion of the sales transaction.

**V. PERSONNEL DESCRIPTIONS:**

Adequate personnel shall be employed to ensure sufficient operations of the Kingman Airfield and Industrial Park. Five positions, however, will remain in effect until such time as the Board of Directors initiates a change:

**A. Airport Executive Director - Responsible to the Board of Directors:**

The Airport Executive Director is responsible for the total organization, administration and economic development of the Kingman Airfield and Industrial Park (hereinafter referred to as the Airport). He shall advise the Board on all facets of the operation and development of the Airport and shall keep the Board informed on a timely basis of important matters pertaining to the general welfare on the Airport. He shall inform the Board promptly of all action which should be covered by written policy and prepare a policy statement for review by the Board of Directors.

The Airport Executive Director shall:

1. Attend all Committee and Board meetings and executive sessions on invitation by the Committee or the Board.
2. Approve the agenda for Committee and Board meetings and review the agenda items with the Committee Chairs and/or KAA President prior to the meeting.
3. Coordinate attendance of staff to Committee and Board meetings.

The Airport Executive Director shall develop a personnel policy for Board approval and administer personnel functions according to approved policy and shall direct and supervise staff of the Airfield/Park including:

1. Recruiting and selecting new employees for hire.
2. Recommending employee salaries.
3. Evaluating, promoting, retaining or discharge of employees.

The Airport Executive Director shall perform financial functions according to Board policy to include:

1. Development of a proposed annual budget for the KAA.
2. Control the budget for the KAA to ensure that expenditures are within the budget or that specific authorization is received from the Board to deviate from the budget.
3. Control all purchases in the best interest of the public.

4. Assist the Director, Corporate Administration with the preparation and maintenance of financial records and reports.
5. Reporting the financial condition of the Airport to the Board on a monthly basis.
6. Ensure that lease payments or other obligations owed by the Authority are received on a timely basis.

The Airport Executive Director shall promote development of the Kingman area, including the development and operation of the Kingman Airfield and Industrial Park. Responsibilities include, but are not limited to, selection and supervision of professional consultants, development of advertising, promotional materials, development and assistance to business prospects and supervision of land sales and leases at the Airport.

The Airport Executive Director shall establish and maintain an ongoing public information and relations program and perform other duties as assigned by the Board of Directors.

**B. Director, Corporate Administration - Responsible to the Airport Executive Director:**

The Director, Corporate Administration is responsible for keeping the Board of Directors and the Airport Executive Director informed on a regular and timely basis about the financial condition of the Authority and advising him on matters pertaining to the proper operation of the properties of the corporation. In the absence of the Airport Executive Director, the Director, Corporate Administration shall assume the position of Acting Airport Executive Director.

With regards to Corporate matters, the Director, Corporate Administration shall:

1. Attend all committee and Board meetings and executive sessions on invitation of the committee or the Board.
2. Advise the Board on matters pertaining to the proper operation of the properties of the corporation.
3. Prepare agendas and background information material for meetings of the Board of Directors.
4. Ensure that minutes of all Board meetings are recorded and maintained.
5. Maintain corporation records required by law and regulation.
6. Maintain all legal records of KAA, including leases.

7. Supervise all clerical staff and resolve any disputes arising from balance of workload.

With regards to Financial matters, the Director, Corporate Administration shall:

1. Compile the final adopted budget for the KAA.
2. Monitor the KAA budget to insure that expenditures are within the budget and that funds are available or that specific authorization is received from the Board to deviate from the budget.
3. Maintain financial records in accordance with generally acceptable accounting practices and applicable legal and regulatory requirements.
4. Control all KAA checking accounts and prepare checks for signature by designated signatories.
5. Prepare budget report, profit and loss statement, balance sheet, cash flow statement and other financial reports needed to properly and fully inform Board members about the financial condition of the and provide these reports to the Board on a monthly basis.
6. Arrange for annual external audit of financial records.
7. Notify the Executive Director or in his absence the Finance/Administrative Committee Chair when lease payments or other obligations owed to the KAA are delinquent.

The Director, Corporate Administration shall assist the Staff with:

1. The preparation of agendas and background material for meetings of the Committees.
2. The preparation of the initial budget proposal.
3. The preparation of bid solicitations and leases, contracts and other legal documents which require the approval of legal counsel.
4. Regulations and requirements concerning corporate matters.

With regards to grants, the Director, Corporate Administration shall:

1. Solicit, prepare and administer all federal, state and local grants.
2. Advise the Airport Executive Director and appropriate Staff concerning the regulations and requirements of grants.
3. Administer grants to ensure that grant requirements are met, proper procedures are being followed and that grant funds are properly expended.

The Director, Corporate Administration shall perform other duties as assigned by the Airport Executive Director.

**C. Supervisor, Airport Operations & Maintenance - Responsible to the Airport Executive Director:**

The Supervisor, Airport Operations & Maintenance, is responsible for the daily operations of the Kingman Airfield including maintenance and communications (unicom). He shall advise the Airport Executive Director and the Board of Directors on all facets of the operation and maintenance of the airfield and shall keep him informed on a timely basis on the general welfare of the facility.

The Supervisor, Airport Operations & Maintenance shall assist the Airfield Committee to function by:

1. Attending all Committee meetings and Board meetings and executive sessions on invitation by the Committee or the Board.
2. Providing agenda items and background information for Committee meetings.
3. Coordinating attendance of airport staff to Committee meetings.

The Supervisor, Airport Operations & Maintenance shall assist the Airport Executive Director by/with:

1. Developing a proposed annual budget as it pertains to the airfield facilities.
2. Promoting aviation development on the Kingman Airfield.
3. Establishing and maintaining an ongoing public information and relations program for the airfield.
4. Monitoring tenants of the airport to ensure compliance with all local, state and federal regulations, including environmental regulations.

With regards to operations and maintenance of the Airport, the Supervisor Airport Operations & Maintenance shall:

1. Supervise maintenance personnel, including:
  - a) Scheduling ARFF/maintenance work hours to ensure adequate coverage;
  - b) Assigning daily work tasks to ARFF/maintenance personnel;
  - c) Preparing evaluations of ARFF/maintenance personnel.

2. 14 CFR Part 139 Airport Certificate Requirements:
  - a) Coordinate, write and implement Airport Emergency Plan (AEP) in accordance with Part 139 certification;
  - b) Ensure compliance with the Airport Self Inspection Program in accordance with Part 139 certification, including, but not limited to:
    - i) Ground vehicle operations;
    - ii) Airport markings;
    - iii) Airport signage system;
    - iv) Airport lighting system;
    - v) Maintaining FAA acceptable training/inspection records.
3. ARFF Requirements:
  - a) Train ARFF personnel in accordance with Part 139.319 certification;
  - b) Schedule and personally man, as necessary, standby times during air carrier operations;
  - c) ARFF vehicle inspections;
  - d) Maintain FAA acceptable training records;
  - e) Coordinate/train external ARFF personnel/volunteers.
4. Establish and maintain an ongoing maintenance/preventative maintenance program to include:
  - a) Vehicles;
  - b) Buildings maintained by KAA;
  - c) Rail track and switches;
  - d) Security fence and gate operators;
  - e) Weed management/control.
5. Part 1542 Security Requirements:
  - a) Train as and maintain Airport Security Coordinator (ACS) status;
  - b) Coordinate security issues with TSA and air carrier representatives;
  - c) Monitor/enforce security regulations.

The Director, Airfield Management shall perform other duties as assigned by the Board or Airport Executive Director.

**D. Director, Economic Development - Responsible to the Airport Executive Director:**

The Director, Economic Development is responsible for assisting the Airport Executive Director in the organization, administration and economic development of the Kingman Airfield-and Industrial Park.

The Director, Economic Development shall:

1. Assist the Airport Executive Director by attending all Industrial Park Committee meetings, Board meetings and executive sessions as needed on invitation by the Committee or the Board.



2. Provide agenda items and background information for Committee meetings.
3. Assist the Airport Executive Director coordinating economic development of the Greater Kingman Area, including the development and operation of the Kingman Airfield and Industrial Park. Responsibilities include, but are not limited to:
  - a) Selection and supervision of professional consultants;
  - b) Development of advertising and promotional materials;
  - c) Development and assistance to business prospects;
  - d) Assistance in administering land sales and leases at the Airport.
4. Assist the Airport Executive Director in establishing and maintaining an ongoing public information and relations program that promotes and contributes to the healthy economic development of the Kingman community.
5. Provide other administrative, economic development and community assistance duties as assigned by the Airport Executive Director.

The focus of the Director, Economic Development efforts needs to be the promotion of the Kingman area in order to assist in the continual positive growth of the economy and to attract businesses and industries that best serve the local economy of Kingman and fit into the overall general plan of the community and county. The greatest positive impact and return on investment for all parties must always be objectively evaluated and proposed to the Airport Executive Director.

**E. Secretary/Administrative Assistant - Responsible to the Director, Corporate Administration:**

**Clerical/Administrative Responsibilities:**

1. Answering phones in a prompt, courteous and professional manner. Taking and distributing phone messages in a timely manner;
2. Greeting visitors and potential prospects in a prompt, courteous and professional manner;
3. Processing and distributing mail daily;
4. Typing outgoing correspondence accurately and in a professional manner;
5. Maintaining filing system in an orderly fashion and current at all times;
6. Keeping current directories/list of:
  - a) Industrial Park and Airfield tenants, including emergency call numbers;
  - b) Shade hangar, T-Hangar and Executive Hangar tenants;
  - c) Director, members and committee lists, including cell phone and e-mail addresses, if available;
  - d) Office telephone directory.

7. Assisting management personnel in the preparation and distribution of Board and Committee agendas and background material;
8. Attending the monthly meetings of the Board of Directors and Committees (as needed) and record the Minutes of the meeting and have available for review in accordance with statutory requirements;
9. Assisting management personnel with special projects.

Accounting Responsibilities:

1. Record incoming receivables daily in Accounts Receivables ledger and, balance ledger weekly;
2. Make bank deposits a minimum of once a week;
3. Report tenant lease delinquencies to the Director, Corporate Administration in a prompt and timely manner;
4. Process and remit payment of Accounts Payables monthly;
5. Process and type bi-weekly payroll checks;
6. Process bi-weekly payroll tax deposits in a timely manner.

The Secretary/Administrative Assistant shall perform other duties as assigned by the Director, Corporate Administrator.

*Approved and adopted by the Kingman Airport Authority, Inc. Board of Directors on the 21<sup>st</sup> day of July, 2006.*

Signed: \_\_\_\_\_

President

Attest: \_\_\_\_\_

*Jean R. Luss*  
Secretary

**KINGMAN AIRPORT AUTHORITY, INC.  
STANDARD OPERATING PROCEDURES**

**EMPLOYEE ACKNOWLEDGMENT FORM**

I have had an opportunity to read the Kingman Airport Authority, Inc. (KAA) Standard Operating Procedures (SOP) and I understand that I am responsible for reading and familiarizing myself with the policies and procedures set forth therein, including the non-harrassment, substance abuse and involuntary termination policy.

I understand that the policies contained in the SOP are subject to change at the discretion of KAA without prior notification and that this SOP supersedes all previous SOP's and any previously issued workplace policies and rules.

I understand the SOP is issued for information purposes only and that it is not intended as a contract of employment or a guarantee of specific treatment in specific situations.

I understand that no employee or representative of KAA (other than the President and/or Board of Directors) has any authority to enter into any agreement modifying or supplementing the provisions of the SOP and that any such agreement must be in writing and signed by the President and/or his designee to be valid.

I further understand that all employees are hired for an indefinite period of time and may resign or be terminated at any time, for any reason or no reason, with or without cause or notice.

I understand that when my employment with KAA comes to an end, I must return my copy of the SOP, documents and any credit cards or other KAA property (including but not limited to cell phones and computers) that may be in my possession, and that I must repay any outstanding debts that I owe to KAA.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Employee Printed Name

Date: \_\_\_\_\_

**\*\*\*\*PLEASE SIGN THIS FORM AND RETURN IT TO THE DIRECTOR, CORPORATE  
ADMINISTRATION\*\*\*\***